



Fair Political Practices Commission

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NEWS ADVISORY

For Immediate Release: June 8, 2004

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Candidate-controlled ballot measure committees on June 25 agenda

FPPC also considers changes in SEI enforcement program

Note to Editors and Reporters: This month's meeting has been rescheduled from Thursday, June 10, to Friday, June 25.

Proposed regulatory action to define the circumstances under which issue advertisements should be regulated – and to apply contribution limits to candidate-controlled ballot measure committees – will be discussed by the Fair Political Practices Commission at its monthly meeting on **Friday, June 25**.

The meeting begins at 9:45 a.m. in the FPPC's eighth-floor hearing room at 428 J St. (Fifth and J Streets) in Sacramento.

Section 85310 of the Political Reform Act (PRA) requires reporting of certain payments made for communications that clearly identify, but do not expressly advocate for, a state candidate. The section also imposes a contribution limit on persons who pay for communications that feature a clearly identified candidate when the communication is made "at the behest of" the candidate.

At the June 25 meeting, the commission will consider proposed regulatory language that interprets key components of section 85310, including when a candidate is "clearly identified" and when a payment is made "at the behest of" a candidate.

The commission will also discuss options to apply contribution limits to candidate-controlled ballot measure committees. The PRA limits contributions "to any candidate for elective state office." According to a memorandum prepared by Commission Counsel C. Scott Tocher and General Counsel Luisa Menchaca, "[this] language has been understood to apply to a candidate's committee for elective state office, as opposed to other committees controlled by the candidate."

The commission will consider whether this language – by regarding contributions to other controlled committees as contributions "to" the candidate – applies to such committees and may adopt regulations extending contribution limits to candidate-controlled ballot measure committees. Details of possible regulatory options are presented in the staff memorandum, which

is available on the FPPC website. (Agenda Item #17)

In other business, the commission will consider proposed changes to the streamlined enforcement program for public officials who fail to file Statements of Economic Interests (SEIs). Established in 1999, the program focuses on bringing SEI non-filers into compliance with the law as soon as possible, while also providing a general deterrent to SEI non-filing and minimizing the number of staff resources required to resolve these cases.

According to a staff memorandum prepared by Enforcement Division Chief Steven Russo and Chief Investigator Alan Herndon, "Although these expedited procedures have allowed the Enforcement Division to resolve SEI non-filing cases more effectively and efficiently than in years past, Enforcement Division staff believes that some minor changes in the adopted procedures would be beneficial in order to administer the [program] more efficiently."

The proposed changes would incorporate the use of one-page stipulation documents similar to those used in other streamlined enforcement programs and also modify the schedule of penalties imposed under the program. The agency also has similar expedited programs for violations involving late-contribution reports and major-donor reports. (#19)

The agenda is posted on the FPPC website at: www.fppc.ca.gov. Click on "Agendas" on the left side of the home page, and go to "Current Agenda."

Proposed enforcement stipulations, orders and exhibits can be obtained from the website by clicking on the link in that agenda item. Memoranda regarding other items on the agenda are also accessible by clicking on the links in those agenda items on the website.

Letters responding to items on the agenda after it was posted on the website 10 days prior to the meeting can be found at the top of the agenda on the website.

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